

**DEPARTMENT OF STATE REVENUE**

**LETTER OF FINDINGS NUMBER: 01-0308P**

**Sales Tax**

**For October 1999 through April 2000**

NOTICE: Under IC 4-22-7-7, this document is required to be published in the Indiana Register and is effective on its date of publication. It shall remain in effect until the date it is superseded or deleted by the publication of a new document in the Indiana Register. The publication of this document will provide the general public with information about the Department's official position concerning a specific issue.

**ISSUE(S)**

I. **Tax Administration** – Penalty

**Authority:** IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

**STATEMENT OF FACTS**

Taxpayer was assessed late payment penalties for several sales tax returns that were not timely filed. Taxpayer has four locations.

Taxpayer, in letters dated October 11, 2001 and November 29, 2001 requests that the department waive the late payment penalties because it has overpaid tax in the months of May through November 2000 in the amount of \$19,021.30 and the department has not yet refunded the monies. In addition it was not aware until too late that the person responsible for filing the returns did not do so.

I. **Tax Administration** – Penalty

**DISCUSSION**

Taxpayer was assessed a ten percent (10%) penalty because it paid its tax after the due date for several returns for several locations between October 1999 and April 2000.

Taxpayer states there was a problem with the accounting staff who was not fulfilling the responsibilities assigned her. Taxpayer further states that he suspected some weaknesses within her performance and asked its accountants to make inquiries in preparation for its fiscal year end. Taxpayer did not file the returns until two delinquency letters were sent. The Department issued late filing and payment penalties on August 2001 after the taxpayer filed the returns.

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Taxpayer was negligent in failing to monitor the work of its employees.

Taxpayer has not provided reasonable cause to allow a waiver of the penalty assessed.

**FINDING**

Taxpayer's protest is denied.

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